(c) The accumulated losses of the Rourkela Fertilizer Plant as on 31.3.2002 amounted to Rs. 317.26 crore.

Distortions in fertilizer sector

2389. SHRI PREM CHAND GUPTA: Will the Minister of CHEMICALS
AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government have moved one step closer to removing distortions in the fertilizer sector, with the Group of Ministers finalizing the broad parameters of a new fertilizer policy;

(b) whether Rs.6,500 crore fertilizer subsidy is a matter of concern and an urgent need for reforms in this sector is imperative; and

(c) if so, what are Government plans in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) The Government had constituted a Group of Ministers (GOM) to examine, *inter-alia,* the Expenditure Reforms Commission's Report on rationalizing fertilizer subsidies and give its recommendations. Based on GOM's recommendations, the Government is in process of formulating a new pricing policy for urea units keeping in view the recommendations of Expenditure Reforms Commission for replacing the existing Retention Price Scheme. The proposed new pricing policy for urea units will aim at greater transparency, efficiency and uniformity in subsidy disbursement to urea units and will also induce them to take cost reduction meansure on their own to the competitive.

Bid for NFL by IFFCO and KRIBHCO

2390. SHRI HARENDRA SINGH MALIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Minister of Chemicals and Fertilizers has urged the P.M. to allow Co-operative Sector Companies, namely IFFCO and KRIBHCO, to bid for National Fertilizer Limited;

(b) if so, the details in this regard; and

(c) the reaction of Government on his recommendation, so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (c) The issue of participation of IFFCO and KRIBHCO in the disinvestment process is under examination of the Government.

Accountability of fertilizer companies

2391. PROF. M. SANKARALINGAM: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that fertilizer manufacturing companies have recently been made accountable for the first time for their efficiency;

(b) if so, the details in this regard and the impact of the same on the fertilizer industry;

(c) the details of the innovative measures taken by Government, to give a boost to the fertilizer industry; and

(d) what are the salient features of the Fertilizer Policy, with specific reference to subsidies?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (d) Improving the efficiency of fertilizer companies is an on-going exercise of the Government for keeping the subsidy burden under control. Keeping that in mind, policy parameters governing the determination of retention prices of urea units were recently revised for the 7th and 8th pricing periods. Government is also in the process of formulating a new pricing policy for urea units keeping in view the recommendations of the Expenditure Reforms Commission for replacing the existing Retention Price Scheme. The proposed new pricing policy will aim at greater transparency, efficiency and uniformity in subsidy disbursement to urea units and will also induce them to take cost reduction measures on their own to be competitive.

Botanical and Bio-fertilizer units

2392. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether more emphasis is proposed to be given to the development of botanical and bio-fertilizer units in the new fertilizer policy; and